

SECRET (When Filled In)

AREA OR COUNTRY(3)	ORGANIZATION	FUNCTIONS & TOPICS	PERSONALITIES	DOCUMENT
HQ	Approved For Release 2002/01/11 : CIA-RDP84-00161R000100100002-7	Investigation	Mr. Putnam	DATE: 1953
	Congress	Liaison (Congress)	Bundy	July 1963
	ONE	Security	Sen. Joseph	1964
	GPO*		McCarthy	1954
			Dean Acheson	CLASS. no class
			Alger Hiss	NO. 1
IDENTIFICATION OF DOCUMENT (author, form, address, title & length)				LOCATION:
Historical Staff File: Congress - McCarthy investigations				HS/HC-158 ✓

ABSTRACT

This file contains an exchange of correspondence between DCI Dulles and Senator Joseph McCarthy regarding the involvement of CIA employee William Putnam Bundy with Alger Hiss and regarding unfounded allegations about a Government Printing Office* employee.

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C O P Y

July 16, 1953

Mr. Allen Dulles, Director
Central Intelligence Agency
Washington 25, D. C.

Dear Mr. Dulles:

As you recall, we met the other day and decided to have someone from your staff and someone from the staff of my Committee attempt to work out a formula whereby our Committee could get the information to which the Congress is entitled without in any way endangering the security operations of your organization.

Pending that accomplishment, I am submitting to you the following information which we have received in regard to Mr. William Putnam Bundy, and would appreciate your checking and letting us know whether the following alleged facts which were presented to us are actually true:

1. That Bundy contributed a total of \$400 to pay for the defense of Alger Hiss.
2. That he subsequently gave substantially the following reasons for making this contribution:
 - (a) That he felt it was imperative that Hiss be freed of any charge having to do with Communism or espionage;
 - (b) That he felt for the sake of the Democrat Party he should aid in clearing Alger Hiss;
 - (c) That he contributed to help his father-in-law Dean Acheson.
3. That Bundy was active in at least one organization which had been officially named as a front doing the work of the Communist Party.

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Date 3/27/92

HRP 89-2

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Mr. Allen Dulles, Director

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July 16, 1953

In connection with "3" above, I would appreciate knowing the date he joined any Communist front organization, the occasion of his joining and the reason which he gives for having broken with the organization. In connection with the contribution to the defense of Alger Hiss, if you find that he did not give the above reasons for making the contribution, I would appreciate knowing what reasons he now gives.

If the above alleged facts are untrue, then I feel that it is very important for your organization and for Mr. Bundy that the matter be cleared up immediately.

If those facts are true, then I am sure you will agree that he should not be holding a top job in the Central Intelligence Agency.

In view of the statements made to the press by members of your organization as to Mr. Bundy's duties, I would appreciate knowing exactly what his duties are.

I would appreciate a reply at your earliest convenience.

Sincerely yours,

(Signed)

Joe McCarthy, Chairman
Senate Permanent Subcommittee
on Investigations

McC:s

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22 July 1953

The Honorable Joseph R. McCarthy
Chairman, Senate Permanent Subcommittee
on Investigations
United States Senate
Washington, D. C.

Dear Senator McCarthy:

I have your letter of July 16, 1953 in which you submit the information you have received with regard to Mr. William P. Bundy and make certain inquiries about this information.

The record of previous clearance procedures and loyalty and security investigations in this case shows:

- (1) That in connection with his application for employment with this Agency in March 1951 Mr. Bundy disclosed that he had contributed a total of \$400 to the defense of Alger Hiss.
- (2) That the reasons, as given by Mr. Bundy, for this contribution are not in accord, in substantial respects, with those given in your letter. This record, together with your letter, will be submitted in connection with the re-evaluation of Mr. Bundy's case under the President's Executive Order 10450, pursuant to directive from the Civil Service Commission dated 9 July. I believe that further comment on this point should await this review, the outcome of which will be communicated to your Subcommittee, pursuant to our conversation of July 14.
- (3) That Mr. Bundy, in the summer of 1940 while working in the Library of Congress, joined the United Public Workers of America union, attended one meeting and resigned his membership at the end of a two month period. We understand that allegations concerning Communist influence in this union were made some six years after Mr. Bundy's resignation. The record does not indicate that Mr. Bundy has ever belonged to any other organization which might fall within the scope of your third question.

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Our files further indicate that the three general allegations referred to above were subject to complete field investigation, personal interview and subsequent review and favorable determination by the CIA Loyalty Board and the Loyalty Review Board of the Civil Service Commission.

Ever since Mr. Bundy joined CIA in June, 1951 he has been attached to our Office of National Estimates and since June, 1952 he has been the assistant to this Agency's adviser on the Planning Board (formerly Senior Staff) of the National Security Council. There has been no change in Mr. Bundy's general assignment within the Agency since he joined it in 1951 and no change is contemplated.

Sincerely yours,

Allen W. Dulles
Director

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UNITED STATES SENATE
Committee on
Government Operations

July 27, 1953

Mr. Allen W. Dulles
Director, Central Intelligence Agency
Washington, D. C.

Dear Mr. Dulles:

This is to acknowledge receipt of yours of July 22, which is in answer to my letter of July 16.

Needless to say, I think that this matter becomes increasingly important in view of the fact you have now confirmed to me in writing that Mr. Bundy did contribute \$400.00 to the defense of Alger Hiss. This fact, of course, raises the gravest question as to his holding a sensitive post in an intelligence agency, a good part of the work of which must involve the detection of activities of people such as Alger Hiss.

On this point you overlooked responding to the inquiry contained in my letter to you of July 16, concerning the explanation that Mr. Bundy has made concerning his contributions to Alger Hiss. I had asked:

"In connection with the contribution to the defense of Alger Hiss, if you find that he did not give the above reasons for making the contributions, I would appreciate knowing what reasons he now gives."

With reference to your identification of the Communist front organization to which Bundy belonged, as the United Public Workers of America, I think that this additional factor adds to the seriousness of this whole question. I have asked the staff to research the question you raise as to when allegations concerning Communist infiltration of this unit were first made.

I realize the tremendous burden of your work, but would appreciate receiving the information requested herein as soon as possible.

Sincerely yours,

(Signed)

JOE McCARTHY, Chairman
Senate Permanent Subcommittee
on Investigations

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1 August 1953

The Honorable Joseph R. McCarthy
Chairman, Senate Permanent Subcommittee
on Investigations
United States Senate
Washington, D. C.

My dear Senator McCarthy:

I wish to acknowledge receipt of your letter of 27 July 1953 in which you suggest that my letter of July 22 did not fully answer the inquiry in your letter of July 16 "concerning the explanation that Mr. Bundy has made concerning his contributions to Alger Hiss" and, referring to your earlier letter, you state that if the reasons were not as indicated by you, you would appreciate knowing what reasons Mr. Bundy now gives.

In my letter of 22 July, I pointed out that the record, including your letter of July 16 and including the reasons given by Mr. Bundy at the time of previous clearances by Loyalty and Security investigations, would be submitted in connection with the re-evaluation of Mr. Bundy's case under the President's Executive Order 10450 pursuant to directive from the Civil Service Commission, dated 9 July. I added that I believed that further comment on this point should await this review.

After most careful consideration of your letter, I feel that the proper course to pursue is to follow the procedure prescribed in the President's Executive Order and, under these circumstances, I do not feel that it would be appropriate for me to comment on certain phases of the matter pending the conclusion of these proceedings.

Faithfully yours,

/s/

Allen W. Dulles
Director

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UNITED STATES SENATE

Committee on Appropriations

August 3, 1953

Mr. Allen Dulles
Director, Central Intelligence Agency
Washington, D. C.

Dear Mr. Dulles:

This will acknowledge yours of August 1, 1953, in answer to my previous inquiries, both in writing and orally, in regard to the connections between Alger Hiss and Mr. Bundy, including the reasons why Mr. Bundy contributed so heavily to Hiss' defense fund. I note your refusal to give us any information in regard to the connection between Hiss and Bundy.

As you will recall, some time ago you met with the members of my Subcommittee and it was agreed that information should be available to the Committee if such information in no way endangered the security of your agency or impeded its work. As I recall, at that time you readily conceded that evidence of dishonesty, subversion, treason, etc., in your organization should not be hidden under a cloak of secrecy.

I understand that Mr. Bundy now holds a top position in your organization and has access to all secret information coming to your organization from various parts of the world. I further understand that he did not come with your organization until after Alger Hiss was in jail. For that reason, his contacts and association with and his contributions to Alger Hiss were of necessity prior to his employment by you, unless, of course, he has had contact with Hiss since he has been in jail.

Your insistence that the Congress is not entitled to obtain information about improper conduct on the part of your top officers is extremely revealing--doubly so in view of the material which has been coming to me within the past few weeks. Unfortunately the Congress is going out of session tonight so that no action can be taken in the case of your protection and cover-up of Bundy. However, the full matter will be submitted to my Committee and undoubtedly to the Senate upon its return.

I might add that it would seem that the last man in the world who would try to protect and hide the facts about one of his top officers' associations with and contributions to a convicted traitor would be the head of the CIA. I think it is unnecessary for me to call your attention to the tremendous damage you thereby do this organization. That the matter cannot and will not rest here is, of course, obvious.

Sincerely yours,

(signed) Joe McCarthy

Joe McCarthy

Chairman, Senate Investigations Committee

Mailed

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OCT 22 1953

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The Honorable Joseph R. McCarthy
Chairman, Permanent Subcommittee
on Investigations
Senate Committee on Government Operations
Washington 25, D. C.

Dear Mr. Chairman:

I have recently read over the first printed volume of your hearings on "Security--Government Printing Office", and recall that at the time the hearings began, the press published several quotations to the effect that an alleged member of the Communist Party had access to secret data of the Central Intelligence Agency. Subsequently it was developed that this person was a Government Printing Office employee. In addition, the Deputy Public Printer, Mr. Cole, was quoted in the papers as stating to a reporter, in referring to the main GPO plant, that he could not say positively whether they handled CIA material, but that it was his belief that they could or would.

At the time these investigations were being conducted, I had a careful check made of our reproduction facilities and found that no classified CIA material is printed in the main GPO plant. The only CIA work which is handled there is routine unclassified matter such as blank forms. On 12 August Walter Pforzheimer, our Legislative Counsel, informed Mr. Carr of your staff of these facts. Mr. Cole informs us that these facts are correct, and in addition that he has submitted a statement of these facts to your Committee.

The press reports mentioned in the first paragraph have received widespread circulation both in the United States and abroad, and have raised some questions as to our security. Under the circumstances, therefore, I would appreciate it if you would include this letter in the printed hearings so that the fact that CIA does not have classified material printed in the main GPO plant is made a matter of record.

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It has occurred to me that in the course of your investigations you may possibly run across information concerning this Agency or its personnel. Naturally, I would appreciate it if you would make such information available to me so we can take a thorough look at such matters.

With kindest regards, I am

Sincerely,

SIGNED

Allen W. Dulles
Director

OGC:WLP/blc (12 Oct. 53-
Rewritten 19 Oct.)

Orig. & 1 - Addressee

2 - Signer

1 - ADD/A

2 - Legislative Counsel ✓

Concur:

L. K. White
ADD/Administration

LC

CO
PY

7 July 1954

The Honorable Joseph R. McCarthy
Chairman, Permanent Subcommittee
on Investigations
Senate Committee on Government Operations
Washington 25, D. C.

Dear Senator McCarthy:

During the closing days of the recently concluded hearings before the Permanent Subcommittee you made several reference to alleged Communist infiltration of the Central Intelligence Agency. In reply to a similar charge made earlier in the Committee hearings I denied such infiltration.

In the event that you should have any evidence in support of these allegations, it would be of the utmost importance that I should have an immediate opportunity to investigate them. Accordingly I would appreciate it if you would let me have at the earliest possible moment any unfavorable information you may have bearing upon the loyalty or integrity of any employee of this Agency. Any such information will be immediately investigated and appropriate action taken.

I have noted that you have indicated that you are making available to General Clark your material on this subject. Consequently I am sending him a copy of this letter and asking that he kindly advise me if the information which he may receive from you is of a nature to require any investigation on my part.

I feel that any unfavorable information regarding any CIA employee would require immediate action and should not necessarily await the report of the Task Force.

Faithfully yours,

(Signed)

Allen W. Dulles

Director

Handcarried 7/8 by
Mr. Houston

AWD:meo
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